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TAGS: ECON PGOV PHUM PREL VN BL SUBJECT: EVO BLASTS U.S. TO RALLY INCREASINGLY CRITICAL BASE

REF: LA PAZ 3215

Classified By: EcoPol Chief Mike Hammer for reasons 1.4 (b) and (d)

- 11. (C) Summary: Continuing his now nearly daily attacks on the United States, President Evo Morales told an El Alto crowd December 12 that "the U.S. Embassy is here to organize a conspiracy" against Morales' government. Harkening back to his days fighting "gringos" as a coca grower union leader, Morales said he was "not afraid" of the fight ahead to "defeat neoliberalism." He thanked Altenos and Pacenos for past support and hinted of struggles to come (Note: Opposition-led departments plan to advance autonomy measures December 15, possibly sooner. End Note.)
- 12. (C) Summary Continued: El Alto in La Paz Department is widely considered a solid bastion of Bolivian President Evo Morales, but according to the current and former mayors, the city is becoming increasingly disillusioned with its champion and is loyal to no one. Altenos are publicly criticizing Morales over their lack of representation in the federal government. Current Mayor Fanor Nava said if U.S. trade preferences (ATPDEA) are not renewed in February, it could break Alteno support for President Evo Morales, although the U.S. would also be blamed. Nava added Altenos would not allow anyone, even the government, to stop the approval of a new constitution. Cracks are also widening in Morales' support throughout the Department of La Paz, according to La Paz Prefect (Governor) Jose Luis Paredes. Paredes said Venezuelan President Hugo Chavez is becoming the altiplano scapegoat for "Evo's failures." He said a La Paz City Council proposal to extend departmental autonomy is a "trick" to lure disaffected former government supporters back from the middle class. End Summary.

Evo Invokes Siege Mentality Against "Gringo" Subversion

13. (C) President Evo Morales unleashed a vitriolic verbal assault on neoliberalism and the United States December 12. He called for "internal unity" in order to defeat neoliberalism, a scourge promulgated by the "North American empire." Morales went beyond his typical U.S. conspiracy innuendoes and bluntly linked the U.S. with opposition-led

autonomy movements: "What we are living through is not just a provocation of some civic leaders and prefects (governors), but rather a foreign intervention. I want you to know my brothers and sisters that the U.S. Embassy is here to organize a conspiracy against this process of change. Personally, I am not afraid. I have been through many fights, as they say with the gringos, in the Chapare (the coca-growing area where Morales became a coca union leader)." Perhaps cognizant of the need to rally his base, particularly in advance of autonomy measures in opposition states planned for December 15, Morales thanked the people of El Alto and La Paz Department for coming to march when "I've called on you." Morales also showed up in El Alto during the height of Sucre's violent November 24 demonstrations.

El Alto Standing Down for Christmas, Sort Of

- 14. (C) El Alto Mayor Fanor Nava told PolOff December 5 that the city of more than 800,000 is returning to calm after it mobilized to "defend the constitutional process" during late November clashes with the opposition in Sucre. He expected no mass demonstrations between now and Carnival in early February. Nava said Altenos perceived the constitution issue to be closed with the passage "in general" of a MAS-drafted constitution. He said Altenos were preparing to celebrate Evo Morales' "Christmas present" constitution December 15, the day after the formal deadline. (Note: A MAS-heavy Constituent Assembly passed a constitution in a surprise session December 9 per Reftel A. End Note.)
- 15. (C) However, when PolOff asked what would happen if opposition states failed to recognize the constitution or if the Senate or Courts tried to invalidate it, Nava said Altenos could "mobilize immediately" to challenge "obstacles" to the new constitution. "Don't underestimate the appearance of calm here, we can mobilize very rapidly." He said Altenos are not supporting the "vital" new constitution out of support for President Evo Morales, but because it symbolizes the struggle of the marginalized and has real economic consequence to the poor, for example land distribution and greater public "rights" to natural resources. A statement representing the views of El Alto and La Paz social and indigenous groups released after the November 24 passage of the draft constitution called for groups to "defend the new Constitution, which is the maximum aspiration of change that we have hoped for."
- 16. (C) Nava acknowledged the fact that opposition Assembly members not participating costs the constitution "some legitimacy," but added that moving the constitution forward was paramount. "The Media Luna (opposition-controlled states of Santa Cruz, Beni, Pando, and Tarija) has always been against the constitution. In the end we can't let them stop us." Only if Morales was acting to prevent "massive violence" would Altenos allow a "postponement" beyond established deadlines for a constitution and subsequent constitutional referendum, and then only grudgingly and with dissenters.

Governor: Altenos Home for the Holidays

17. (C) Former El Alto mayor and current La Paz department prefect (state governor) Jose Luis Paredes told PolOff December 6 that any new El Alto mass mobilizations would be "very unlikely" until 2008. Paredes claimed El Alto civic groups lacked the time and money to put together anything on the scale of the Sucre mobilization, let alone motivate politically "tired" Altenos to participate. Paredes said Altenos who participated in the November 23-24 Sucre demonstrations, largely recruited from the unemployed and motivated by pay and pressure from local leaders, did not stand their ground against opposition protesters. He said Alteno leaders were handsomely rewarded for the mobilization, but most rank and file Altenos received a mere 30 Bolivianos (\$4) a day. Various Sucre opposition leaders told us that even the infamously violent Ponchos Rojos group trucked in

from La Paz Department "ran away" when confronted by opposition protesters, which could impact the government's future ability to send its "shock troops" in to opposition departments.

El Alto Demands Higher Representation

- 18. (C) Alteno groups have been demanding almost daily since the November 30 meeting of the city's Interinstitutional Committee that Morales appoint Altenos to three government ministries: water, education, and labor. The Committee complained that Morales initially appointed Altenos to head all three ministries, but now Altenos are completely shut out of ministerial posts. Some groups in the Committee did not want to bother making demands and instead simply wanted to cut off support to the government, arguing El Alto is only useful to the government when it needs them to support government policies and fight the opposition. Nava said Altenos were furious Morales appointed ex-Vice Water Minister Walter Valda, from the rival department of Chuquisaca, instead of immediately appointing Patana, or at least another Alteno. (Note: Morales finally fired Alteno Water Minister Abel Mamani November 27 after photos surfaced of Mamani in compromising positions with a half naked woman, not his wife. End Note.)
- $\P9$. (C) Nava denied vehemently that El Alto's demands were motivated by personal political jockeying of El Alto leaders or were an empty gesture to force the government into a compromise. "There is no compromise on this issue; people are fed up." He clarified Altenos were asking for "at least" three ministries. Labor leader Edgar Patana is rumored to be the favorite to replace fellow Alteno Abel Mamani as Water Minister. Meanwhile, Altenos seem divided on exactly who should represent El Alto in ministerial positions, as the vice-president of the highly-influencial El Alto civic group FEJUVE proposed a different Alteno for Water Minister. FEJUVE President Nazario Ramirez told PolOff in October he was the odds-on favorite for Water Minister, with Patana favored for Labor, a position more suited to his background. He said Morales was planning to change out "most" of his ministers by January 22, with Water, Health, Agriculture, and Labor being at the top of short list. According to Ramirez, Evo believes changing the leadership is good for the movement and that he wants to replace technocrats with political true-believers.

"Friendless" El Alto Resents Being Taken for Granted

110. (C) Nava explained that El Alto "does not have any friends." Nava explained Evo had an unwritten agreement with El Alto for support after he became President and Morales "has not made good for El Alto." Despite providing support for Morales, he asserted opposition-controlled states receive more assistance from the government. Nava warned this support was not unconditional or indefinite. Nava said disillusionment with the government is well underway in El Alto and Altenos have already marched against government ministries. Nava himself led thousands of Altenos October 15 to the Ministry of Education to protest the ministry's refusal to release promised school construction funds. Nava commented that "people are not just blaming Evo's ministers and advisors anymore, they are starting to blame him." He said discontent with Morales was a difficult admission for people who want to believe in the President as a symbol, which is the only reason Morales' El Alto poll ratings are not lower. (Note: Nevertheless they dropped from 90 to 80 percent in November. End Note.)

Paredes: Evo's La Paz Bastions More Like Wildcards

111. (C) Paredes seconded growing discontent with the government in El Alto, but rejected the idea that El Alto was ever loyal to Evo per se. "El Alto is loyal to one thing: Change. As long as Morales represents change he will have El

Alto's support." Paredes argued that Morales has and will continue to fall short on substantive change, which is why he needs to buy time with some symbolic change in the form of a new Constitution. Paredes warned that El Alto has been a double-edged sword for every ruler that thought they had its support, including himself. He reflected that politicians on the right such as Gonzalo Sanchez de Lozada (Goni) and Hugo Banzer have won pluralities in El Alto. "Altenos are practical and have short memories."

112. (C) El Alto labor leader Patana told PolOff that despite its fiery anti-capitalism, sometimes anti-U.S. rhetoric, the El Alto Regional Workers Center (COR) is also a pragmatic organization, which is loyal to the interests of El Alto above any ideology or politician. The love for Evo is real, but symbolic. Altenos take their marching orders from local leaders, according to Patana, and these leaders are increasingly frustrated by slow pace of progress, government corruption, and being taking for granted by national politicians: "we (not Evo) decide if we march or not."

Cracks in the Campo

- 113. (C) Paredes explained that support for Morales, while still considerable, was "dividing" in the La Paz Department countryside after two years with "their champion" in power and nothing to show for it. He asserted the federal government has spent "nothing" on La Paz or El Alto, and echoed Nava's complaint that "most federal programs are going to the interior." Paredes said this was folly, as Morales' spending in opposition strongholds has not gained him any popularity at the expense of base support in the altiplano. Paredes suspected that Morales was hoping La Paz farmers would give him credit by association for department (state) projects, although Paredes spends significant time explaining these projects are not federally administered on La Paz television.
- 114. (C) Paredes projected Morales' decision to push through legislation November 27 that guts the La Paz state budget by 52 percent will further alienate him to La Paz residents. He said prior to the passage of the controversial law, which would redistribute funds from departments, Morales told him he would make up most of the cuts to La Paz Department by supporting state projects with federal funding. But soon afterwards the Finance Ministry publicly announced it would not make up any of the lost revenue to any department with other federal funds. Paredes said Morales mislead him and does not trust he will be following through on his promise. (Note: Morales and Paredes were once colleagues in the Bolivian Congress. End Note.) When project funds start drying up, Paredes plans to direct peoples' complaints to the Presidential Palace.
- 115. (C) Congressmen Guillermo Beckar Cortes (La Paz) told us that many people on the altiplano campaigned and contributed to Evo Morales' campaign and "feel abandoned now." Morales promised these people representation and "some he even personally promised jobs," but has alienated many indigenous and peasant farmers by "using people from prior administrations." They have given Morales the benefit of the doubt, according to Beckar, but "their patience is running out."

Middle-Class Defections Well Underway

116. (C) Although his base is starting to doubt him, Beckar said Morales is in far more advanced stages of decline with former supporters in the middle class. Beckar, himself a congressman from a middle-class district in La Paz, has left the party and is now an independent. Beckar noted, however, that the opposition is not picking up many of these defectors. Paredes said a La Paz City Council's December 11 proposal for a referendum on departmental autonomy was a "MAS trick" designed to appeal to these disaffected middle-class Pacenos. He added the department-wide referendum was beyond

the City Council's jurisdiction and "pure symbolism."
Paredes said because the terms of "autonomy" would be defined within the constraints of the controversial new draft constitution, it would offer no significant challenge to the centralism demanded by the ruling MAS party. (Note: Oppositon-controlled states are planning to declare autonomy in defiance of the controversial new constitution. End Note.)

Rural La Paz Blaming "Chavez for Evo's Mistakes"

117. (C) Paredes claimed rural La Paz residents are tired of Morales' perceived indifference to his indigenous and peasant base, particularly their lack of representation in federal government at the expense of ideologues and technocrats Although increasingly critical of Evo himself, Paredes said rural communities are increasingly complaining about the of "corrupting influence " and bad advice from ideologically extreme advisors from Venezuela. "People are blaming Chavez for Evo's mistakes."

Perception vs. Reality in Alteno Mythology

118. (C) PolOff asked Nava to explain anti-U.S. sentiment in El Alto despite our significant investment in El Alto development. He said the United States was at a considerable public relations disadvantage in El Alto because we speak in facts, but Altenos speak in "symbolism." He said the reality that the Bolivian government has not submitted an extradition request for Goni does not stop Altenos from believing we are holding up the process. Although the facts are presented fairly well in the newspapers, many Altenos cannot read or do not trust the "opposition" media. Nava said legal arguments and complex political discourse are intricacies largely lost on Altenos. In Alteno mythology Goni represents evil and Evo is good. Overcoming that mythology, which also equates the U.S. as "imperialist" and exploitive requires rewiring the world view of people. Nava explained that despite the development assistance El Alto receives from the U.S., Altenos can't "see it" because it is distributed in small projects and training throughout the city. He suggested large infrastructure projects would make a stronger impact. He also suggested celebrating U.S. assistance, including extension of trade preferences, in a "big show. If you don't have a big show, Altenos will not give you any credit.

ATPDEA Threatens Unconditional Evo Love

119. (C) Nava claimed one issue in El Alto in which facts trump anti-U.S. mythology is trade preferences (ATPDEA). Factory owners have done a good job explaining the importance of U.S. preferences to their employees with a simple message: no ATPDEA, no jobs. If ATPDEA is not extended in February, Nava predicted Altenos would initially blame Morales directly, rushing to protests in La Paz and concretely parting ways with their erstwhile idol. However, he suggested Morales' team would quickly and effectively deflect blame to the U.S. Ultimately, Nava said the government and U.S. will share Altenos wrath, which "will be very considerable." He said Altenos scarcely know about the Millennium Challenge Fund, but would blame the U.S. entirely if the Bolivian application is rejected. The difference, he explained, was between "something that provides them a living and something that only affects them hypothetically."

Comment:

- 120. (C) Evo's latest appearance in El Alto signals that he is aware of his vulnerability and that he will make sure to maintain that support. Using the U.S. Embassy as a rhetorical target is, while not new, reaching new heights.
- 121. (C) Comment Continued: Claims of local El Alto leaders like Patana that they do not take orders from Evo is at least partially bravado; the truth is Evo still has significant

power in El Alto. Although Morales' stock may be declining within his own base, his descent began from an almost absolute level of indigenous/peasant support in 2005. recurring El Alto theme cited by both Nava and Paredes is that perception is more important than reality. In the rough and tumble world of El Alto, Altenos identify themselves as survivors of unfair treatment from everything and everyone outside city limits. That perception of outside persecution increasingly appears to include the current national government and even their champion, Evo Morales. Residents of La Paz and particularly El Alto seem inclined to channel their frustrations with the government at Evo's advisors. But, they seem to slowly be seeing cracks in their hero's armor. Passing the constitution will only appease Evo's base for finite period of time before they renew demands for substantive improvements to their lives, or, at a minimum, representation in the national government. End Comment. GOLDBERG